

**31A-27a-607 Disputed claims.**

- (1)
  - (a) When a claim is disallowed in whole or in part by the liquidator, written notice of the determination and of the right to object shall be given promptly to the claimant or the claimant's attorney of record, if any, by first-class mail at the addresses shown in the proof of claim.
  - (b)
    - (i) Within 45 days from the day on which the notice required by Subsection (1)(a) is mailed, the claimant may file an objection with the liquidator.
    - (ii) If an objection is not filed within the period provided in Subsection (1)(b)(i), the claimant may not further object to the determination.
- (2)
  - (a) If an objection is filed in accordance with Subsection 31A-27a-603(3)(a) and the liquidator does not alter the liquidator's ruling, the liquidator shall ask the court for a hearing as soon as practicable.
  - (b) If the liquidator asks for a hearing under Subsection (2)(a), the court shall issue an order setting a date as early as possible.
  - (c) At the request of the liquidator, the court may establish procedures for the objections hearing.
  - (d) The liquidator shall give notice of a hearing under this Subsection (2) by first-class mail to:
    - (i) the claimant or the claimant's attorney; and
    - (ii) any other persons directly affected.
  - (e) A hearing under this Subsection (2):
    - (i) shall be heard without a jury; and
    - (ii) may be heard by:
      - (A) the court; or
      - (B) a court appointed referee.
  - (f) A hearing under this Subsection (2) shall be limited to the evidence upon which the liquidator made the determination of the claim.
  - (g) If a referee is appointed under this Subsection (2), the referee shall submit to the court:
    - (i) findings of fact;
    - (ii) recommendations; and
    - (iii) a transcript of the hearing.
  - (h) The court shall review the referee's findings of fact and recommendations for correctness by reviewing the record, including the hearing transcript.
  - (i) Consistent with Section 31A-27a-608, the court may approve, disapprove, or modify:
    - (i) the liquidator's determination of a claim; or
    - (ii) a referee's recommendations on a claim.
- (3) A court order issued after a hearing and pursuant to this section may be appealed as a final order for purposes of Rule 54, Utah Rules of Civil Procedure.
- (4) This section is not applicable to a dispute with respect to a coverage determination by an affected guaranty association as part of the affected guaranty association's statutory obligations.

Enacted by Chapter 309, 2007 General Session